



ALEXANDER & BALDWIN

A&B Properties, Kamuela Associates Form Joint Venture to Develop HoloHolo Ku Residential Project On Big Island

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HONOLULU--(BUSINESS WIRE)--Oct. 8, 2001--A&B Properties, Inc., the real estate development subsidiary of Alexander & Baldwin, Inc. (A&B) (Nasdaq:ALEX), has entered into a joint venture partnership with local developer U. J. (Rick) Rainalter, Jr.; the partnership will be known as Kamuela Associates LLC (KAL). KAL will develop HoloHolo Ku, a planned community of 44 single-family condominium ranch homes bordering on Parker Ranch pastures, in Waimea, Hawaii. Rainalter brings extensive residential development experience to the partnership while A&B Properties, a major Hawaii developer with a half-century of experience on Maui and Kauai, is bringing its real estate expertise and resources to the island of Hawaii for the first time.

"This most recent investment in newly-acquired Hawaii real estate

-- our 12th in the last three years -- gives us a development presence in all four Hawaii counties," said A&B President and CEO W. Allen Doane. "We hope the message of A&B's continuing confidence in and commitment to Hawaii comes through loud and clear, as we continue to diversify our portfolio of real property assets."

"HoloHolo Ku is a planned community designed to take advantage of Kamuela's country lifestyle, with spectacular views of Mauna Kea and the Kohala Mountains," said Rainalter. "Where else in Hawaii can you find maintenance-free living surrounded by permanent pastures within walking distance of a charming town center like Kamuela's?" With over 50% sold, Rainalter said that "the location, combined with the innovative ranchhome designs of Group 70 and Mary Philpotts has attracted a great group of buyers, including Kamuela residents and others from Oahu and the Mainland."

A&B Properties CEO Stanley M. Kuriyama added, "We were attracted to HoloHolo Ku because of its many positive features: a unique and highly desirable location in a region which has limited inventory of new homes; a project design that retains the important open space character of the community; the combination of single-family homes with condominium benefits of maintenance and security; and a reputable development partner with extensive residential experience."

A&B Properties Vice President Michael G. Wright, responsible for real property acquisitions, expects the project to be sold out prior to completing construction. "HoloHolo Ku will be built on never-before-available Parker Ranch land, with each home being located and positioned to take advantage of both the spectacular views and unique location," said Wright. "More than half of the homes have already been pre-sold." Construction is expected to begin in November, with occupancies early the following year. General contractor for the project is Metcalf Construction, the state's largest neighbor island home builder.

HoloHolo Ku will offer fee-simple, single-family homes with condominium ownership located on 8 acres of former Parker Ranch land, immediately southeast of the center of Waimea Town. Designed by Francis Oda and Hitoshi Hida of Group 70 International (architects of The Lodge at Koele and Manele Bay Hotel on Lanai), the project is themed after the rural paniolo lifestyle that characterizes the region and Parker Ranch. HoloHolo Ku will consist of 28 'cottage' homes and 16 'ranch' homes, carefully sited to preserve the unobstructed pasture and mountain views. Bank of Hawaii is providing the construction financing. More project information can be found at website www.holulu.com.

A&B Properties currently has a number of projects under development. Some of these include the Mill Town Business Center, a light industrial subdivision in central Oahu; the recently acquired Kai Lani residential project at Ko Olina resort; the 1,000-acre Kukui'Ula master planned resort community in Poipu, Kauai; a commercial center at Port Allen, Kauai; the Fairway Shops, a retail center in Kaanapali; The Summit, a single-family resort project in Kaanapali; and other commercial projects on Maui.

A&B owns 91,000 acres in Hawaii, making it Hawaii's fifth largest private landowner. A&B also has a portfolio of commercial properties in Hawaii and on the U. S. Mainland consisting of more than 5.4 million square feet of leasable retail, office, and industrial space.

A&B Properties, Inc. is the property development and management subsidiary of Alexander & Baldwin, Inc., a diversified corporation headquartered in Honolulu. Additional information may be found at its web site: www.abprop.com.

A&B's major lines of business are ocean transportation (Matson Navigation Company, Inc.); property development and management (A&B Properties, Inc.); and food products (Hawaiian Commercial & Sugar Company, Kauai Coffee Company). Additional information about A&B may be found at its web site: www.alexanderbaldwin.com.

Note to Editors: Rendering artwork is available upon request at either contact above.

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